The Government has put in place various policies to promote broad based industrial growth. This includes, *inter-alia,* delicensing of industrial capacity, liberalization of foreign trade regime to provide better access to inputs at competitive prices, rationalization and reduction in duty rates of customs and central excise, better infrastructure support, and liberal FDI regime, etc.

Government has announced several relief measures for export oriented industries, which includes enhancement of the Duty Entitlement Pass Book (DEPB), reduction in Export Credit Guarantee Corporation (ECGC) premium by 10% enhancement of the rates of duty drawback, interest subvention of preshipment and post-shipment credit, refund of service tax, raising the revenue ceiling for Vishesh Krishi and Gram Udyog Yojana.

In the Budget 2008-09, the Government has proposed reduction in excise duty across the board from 16% to 14% to boost the domestic demand for the manufacturing industry. In addition, the Government has also proposed reduction in excise duty from 16% to 12% in the Budget 2008-09 for Small Cars, Motorcycles, and Scooters etc. to give boost to the domestic consumer durable manufacturing industry.

The Government has since approved a proposal to create Information Technology Investment Regions (ITIRs). These ITIRs would be endowed with excellent infrastructure and supported through investor-friendly policies. With a view to improve the competitiveness of Indian industries, particularly, the micro, small and medium enterprises, the Government has also approved a proposal to set Mini Tool rooms in the country under Public Private Partnership (PPP) Mode, in co-operation with State Governments/Industries/Associations/ Companies/NGOs/Individuals.

Lifting of ban on non-basmati rice

2514. SHRI SYED AZEEZ PASHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware of the request of farmers to lift the ban on non-basmati rice., which is mostly grown in Andhra Pradesh to around 40 lakh tonnes per year and being exported from Kakinada port in the last few years to around 3.20 lakhs;

(b) if so, whether any steps have been taken by Government in this regard;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Yes, Sir.

(b) to (d) Non-basmati exports have been banned in order to control the rise in the price of domestically available rice.

Extension of anti-dumping duty on raw silk

2515. SHRI SAYED AZEEZ PASHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware of the request of sericulture farmers to extend the

anti-dumping duty on raw silk for five more years to safeguard their interests, which has come to an end on 2008;

(b) if so, whether any steps have been taken by Government in this regard;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (d): Representations have been received from the State Governments of Andhra Pradesh, Karnataka, Tamil Nadu, Jammu and Kashmir and West Bengal for extending the anti-dumping duty on mulberry raw silk for a further period of five years to safeguard the interests of the sericulture farmers. On the basis of a petition received from Central Silk Board, on behalf of several federations and associations of Silk growers and reefers, the Designated Authority has already initiated the review investigation to examine the need for continued imposition of anti-dumping duty as per Section 9 A (5) of the Customs Tariff Act, 1975. Consequent upon initiation of a sunset review investigation of the anti-dumping duty by the Designated Authority, *vide* notification No. 15/12/2007-DGAD dated the 14th December, 2007, the anti-dumping duty on mulberry raw silk has been extended till 1st January, 2009, *vide* Customs Notification No. 01/2008-Customs dated 1st January, 2008.

Compensation to exporters hit by rupee appreciation

2516. SHRIMATI KANIMOZHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has approved an additional Rs. 500 crore for interest subvention for exporters to compensate them for the reduction in their profits due to appreciation of the rupee, against the dollar;

(b) if so, whether this amount would be used to provide cheaper credit to exporters and the banks will lend to exporters at rates cheaper man prevailing market interest;

(c) whether Government has agreed to reimburse them the difference; and

(d) if so, to what extent it has been helpful to the exporters?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (d) Government has provided subvention in the rate of interest on pre and post shipment credit by 2% on the outstanding balances for the period 1-04-2007 to 31.03.2008 in respect of nine identified sectors and exporters from SME sector. In addition, in respect of four sectors, namely leather and leather manufacturers, marine products, all categories of textiles under the existing scheme including readymade garments and carpets but excluding manmade fibres and handicrafts, additional subvention of 2% has been provided. Government has approved Rs. 800 crores for mis purpose of which Rs. 300 crores has already been released to Reserve Bank of India during the last financial year and the balance has been approved for release during the current financial year. RBI has already received a number of proposals from scheduled commercial banks for reimbursement of interest subvention.